



NATIONAL ASSOCIATION OF FARMER ELECTED COMMITTEES

Craig Turner

President

P O Box 78

Matador, TX 79244

Cell 806-269-0610

Fax 806-347-2974

turner_and_turner@yahoo.com

Jim Van Oss

Vice-President

48750 East End Road

Homer, AK 99603

Tel 907-235-1314

VanOss@xyz.net

Tom Ardoin

Secretary/Treasurer

P O Box 400

Pine Prairie, LA 70576

Tel 337-599-2783

Cell 337-831-0671

tnardoin@centurytel.net

Cole Sims

Southeast Area Director

P O Box 471

Mer Rouge, LA 71261

Tel 318-647-5005

Cell 318-282-9951

farmercole@msn.com

TESTIMONY PRESENTED

BY

NATIONAL ASSOCIATION OF FARMER ELECTED COMMITTEES

BEFORE THE

HOUSE AGRICULTURE SUBCOMMITTEE

ON

DEPARTMENT OPERATIONS, OVERSIGHT, NUTRITION AND FORESTRY

THE HONORABLE JOE BACA, CHAIRMAN

MARCH 10, 2010

BY

CRAIG TURNER
PRESIDENT

Introduction

Chairman Baca, Ranking Member Fortenberry, and members of the Subcommittee on Department Operations, Oversight, Nutrition and Forestry, I am Craig Turner, President of the National Association of Farmer Elected Committees (NAFEC), as well as a farmer and rancher from Matador, Texas. “My family raises cotton, grain sorghum, wheat, forage, cattle and kids. We farm in four counties and work with four separate Farm Service Agency (FSA) county offices.”

NAFEC is pleased and honored to have been extended the invitation and opportunity to appear before this committee today to discuss issues relating to information technology as it relates to delivery of FSA programs.

Overview of the FSA County Committees

NAFEC is a forty-five year old organization of farmers and ranchers that serve the Secretary of Agriculture in delivering many of the FSA programs. We represent many farmers and ranchers that were nominated and elected to serve on the County Committees (CoC) as well as many of the farmers and ranchers that are appointed to represent minority and social disadvantaged producers and as advisors to the CoC.

County Committee members, including our advisors, serve as the eyes and ears for the Secretary, as well as this committee, in helping curb fraud and abuse in farm program delivery. We know the producers in our county, we help document the weather conditions during the crop year, and we know the appropriate agricultural practices required in our areas. All of this information is critical in assisting in the fair and equitable delivery of farm, conservation and emergency programs in every county of the nation.

County Committee members also assist in outreach to the farmers and ranchers in the areas we serve. We take the critical program information we learn in our capacity as members and advisors back to the producers we represent. Any CoC member or advisor will tell you that on any given day, be it at the coffee shop, sale barn, implement dealer, high school football game, farm meetings, service club meeting, church, grocery store or wherever else we may be, it is very common for farmers to ask what is new at FSA, when are the signup deadlines, when will benefits be available and many other crucially important questions that need informed answers. This collateral duty of outreach is especially important for our CoC advisors because they often have the ability to do targeted outreach to the minority and socially disadvantaged producers in the area.

County Committees also assists in approval of applications for most programs (except farm loan programs), as well as reconsiderations and appeals by producers on program eligibility, providing local expertise to the Secretary in the delivery of programs. County Committees are also tasked to hire and help supervise the County Executive Director (CED), who in turn hires and manages the day-to-day county FSA office operations.

We take all of the aforementioned FSA County Committee responsibilities very seriously, provide our time and expertise and are bound by a mandatory confidentiality restrictions and code of conduct -- all for about \$50 a month. We may not rank up there with Roosevelt’s “Dollar a Year Men” Mr. Chairman, but I think you would be hard pressed to find a better deal for the money anywhere else in today’s government.

And by the way, that \$50 per month is also about what the National Finance Center charges FSA to pay us that amount and a possible side topic for your committee’s oversight of department operations.

Program Delivery Overview

I have in my hand, and have attached to my written testimony, an eight-page Fact Sheet from FSA detailing almost fifty programs currently administered by FSA. If I had a list of FSA programs from before 1986, it would be much, much shorter than the one I hold today because since passage of the 1985 farm bill and subsequent farm bills we have added the majority of the programs on this list.

CoC members do not have any authority in FSA lending programs, and with the exception of a very short window of time immediately following the reorganization of the Department of Agriculture in 1995, never have. But we are involved in assisting with the delivery most of the other programs on this list.

More importantly, our local county offices deliver most, if not all, of the programs on this list and the proliferation of new and more complex programs administered by our county offices has been a mixed blessing. Prior to the mid 1980s, most of our programs were directed toward the seven major, strategic, storable crops (keep in mind that even soybeans were not a “program crop” until recently) and the programs we had for those major crops were much simpler to understand and deliver. There were few, if any, programs for dairy and other livestock, fruit and vegetable, aquaculture, biomass or producers of other crops and products.

In these modern times, FSA’s programs cover a much larger sector of production agriculture. These additional programs are critically important to the economic viability of a much larger customer base and that is a very good thing – not only for dairy producers, cow-calf operations and conservation minded producers – but also for minority producers engaged in the production of highly specialized and high value crops very small acreages. These new programs are even more critical to farmers in an area like your home state of California Mr. Chairman, where until recently most of your farmers had no programs authorized by Congress to turn to. California’s FSA now serves a very large, diverse customer base that raise a huge array of crops and livestock.

But on the other hand, our county FSA offices have many more programs to deliver to many more producers, many of whom had never been to an FSA office before. Contemporary FSA programs are also much more complex for the farmers to understand and for FSA to deliver.

Using California as an example again, that state’s FSA now delivers services to that very large, diverse customer base that raise that huge array of crops and livestock with an infrastructure of people, offices and infrastructure based on delivering programs to only producers of those seven major crops of the legacy farm programs. California’s FSA customer base may be three to four times what it was just a decade ago, and the number programs they are delivering has grown three to five fold – and they are doing the job with only 30 county offices and less than 200 employees statewide including the state office. They are to be commended, but more importantly they deserve a modern system to deliver our modern programs.

Information Technology and its Relation to Program Delivery

The challenge of delivering this multitude of highly complex programs to a much larger customer base has been, and continues to be, exacerbated with an ever-declining FSA workforce and an ever shrinking number of county offices. FSA has, therefore, been forced to relay much more heavily on information technology (IT) in an attempt to fill the service gap. Unfortunately, much of FSA’s current IT structure is archaic and fragile. We fear that we are uncomfortably close to a total IT meltdown and that service to farmers by the Farm Service Agency is in a perilous situation.

In December of 2008, NAFEC submitted the following statement to President Elect Obama's Presidential Transition Team – *“Since farm programs continue to become more bureaucratic and complicated with each new farm bill, there should be no more closings of county Farm Service Agency offices, no reductions in FSA staff and no reductions in FSA staff compensation until such time that farm programs are greatly simplified. FSA's ageing and antiquated computer and communications systems should be replaced and updated to meet the current challenges faced by FSA staff in the delivery of farm, conservation, credit and disaster programs.”*

In that same spirit, we offer these critical points;

- NAFEC appreciates the work of the U.S. Congress in providing the authority for delivery of more programs to more farmers.
- NAFEC urges that Congress consider reducing the complexities of future farm programs so that we can deliver more programs to more farms more efficiently, but anyone that follows the current trends in that regard cannot realistically expect any real change.
- NAFEC urges more staffing at the state and county level in order to deliver more programs to more farmers, but again anyone that follows the current trends in that regard cannot realistically expect any real change.
- NAFEC urges that no more county FSA offices be closed so that we can deliver more programs to more farmers, but once more anyone that follows the current trends in that regard cannot realistically expect any real change.
- NAFEC therefore demands an investment into a modern IT platform to allow FSA and the other field delivery agencies of the USDA to deliver more programs to more farmers and rural Americans.

The investment in a modern IT platform must be dedicated toward that objective. We commend Secretary Vilsack for his commitment and leadership on this issue and we commend Congress and the leadership in this room for helping dedicate additional IT funds in the FY 2010 federal budget and the Recovery and Reinvestment Act of 2009, but the Secretary needs more help from Congress to fully fund and fully dedicate those resources toward that objective.

Many of you know the unwritten challenges faced by Secretary Vilsack, Administrator Coppess and their predecessors. They know very well the intended mandates of the House and Senate agriculture committees when it comes to farm programs and their delivery. In prior years the agency requested adequate resources to comply with those mandates, but once those requests are diced and sliced at the Office of Management and Budget, the official request presented to Congress was well short of the need. Hopefully you understand this challenge and can better assist the Secretary in the future.

For too many years, FSA has been forced to take funding away from salaries for staff and expense money for county and state offices to fund stop-gap measures to keep the old IT system up and running. FSA has bled all of the people and brick and mortar it can afford to keep the old IT system running. There must be a separate, dedicated, statutory funding stream for a modern IT platform -- authorized by Congress -- if we are to deliver all of the programs authorized by Congress to all of the farmers and ranchers mandated by Congress.

We commend President Obama and Secretary Vilsack for their bold initiatives on broadband deployment in rural America. We also suggest that county FSA office and USDA Service Centers be prioritized as a high priority target for broadband deployment. If we can get broadband to our FSA county offices it would not only help negate the agency's antiquated and decaying LAN-WAN system, but we may also have a better chance of getting broadband deployment to the rest of the county and into the homes and offices of farmer and ranch families.

Some newer technology is being deployed using the internet as a platform. Using Electronic Authorization (e-auth), some producers have the ability to sign up for some programs using their home or office computers. Many producers do not have computers or if they do they do not have a comfort level or the expertise to use the online process. But an even larger obstacle may be that many, if not most, rural areas still do not have broadband internet service. Internet based program delivery is a very good supplemental platform, but is in no way an acceptable replacement for "over-the-counter" service at the county FSA office.

In closing, we wish to reemphasize these points:

- There are more FSA programs available today than ever before,
- There are more farmers qualifying for FSA programs than ever before,
- Farm programs are more complex than ever before,
- There are few FSA employees and fewer FSA offices than in any time in modern history, and
- The FSA IT platform is in dire need of modernization.

This hearing focused only on the final point in this list, but the other points cannot be easily addressed by either Congress or the Administration. Therefore let me restate that there must be a separate, dedicated, statutory funding stream for a modern IT platform -- authorized by Congress -- if we are to deliver all of the programs authorized by Congress to all of the farmers and ranchers mandated by Congress.

NAFEC and I appreciate your invitation to address this committee today, we commend your leadership and initiative in addressing these issues and I will be happy to answer any questions you may have. Thank you Mr. Chairman.

Committee on Agriculture
U.S. House of Representatives
Required Witness Disclosure Form

House Rules* require nongovernmental witnesses to disclose the amount and source of Federal grants received since October 1, 2006.

Name:

Craig Turner

Address:

P.O. Box 666, Matador, Tex. 79244

Telephone:

866-269-0610

Organization you represent (if any):

NAFEC

1. Please list any federal grants or contracts (including subgrants and subcontracts) you have received since October 1, 2006, as well as the source and the amount of each grant or contract. House Rules do **NOT** require disclosure of federal payments to individuals, such as Social Security or Medicare benefits, farm program payments, or assistance to agricultural producers:

Source: _____

Amount: _____

Source: _____

Amount: _____

2. If you are appearing on behalf of an organization, please list any federal grants or contracts (including subgrants and subcontracts) the organization has received since October 1, 2006, as well as the source and the amount of each grant or contract:

Source: _____

Amount: _____

Source: _____

Amount: _____

Please check here if this form is NOT applicable to you: _____

Signature: _____

Craig Turner

* Rule XI, clause 2(g)(4) of the U.S. House of Representatives provides: *Each committee shall, to the greatest extent practicable, require witnesses who appear before it to submit in advance written statements of proposed testimony and to limit their initial presentations to the committee to brief summaries thereof. In the case of a witness appearing in a nongovernmental capacity, a written statement of proposed testimony shall include a curriculum vitae and a disclosure of the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by the witness or by any entity represented by the witness.*

PLEASE ATTACH DISCLOSURE FORM TO EACH COPY OF TESTIMONY.

Committee on Agriculture
U.S. House of Representatives
Information Required From Non-governmental Witnesses

House rules require non-governmental witnesses to provide their resume or biographical sketch prior to testifying. If you do not have a resume or biographical sketch available, please complete this form.

1. Name: Craig Turner
2. Business Address: P.O. Box 666
Matador, TX 79244
3. Business Phone Number: 806-264-0610
4. Organization you represent: NAFEC
5. Please list any occupational, employment, or work-related experience you have which add to your qualification to provide testimony before the Committee:
Pres. of NAFEC
Farm & Ranch & do business with FSA
& NRCS in multiple Counties
6. Please list any special training, education, or professional experience you have which add to your qualifications to provide testimony before the Committee:
I am currently County Chairperson
for CDE
7. If you are appearing on behalf of an organization, please list the capacity in which you are representing that organization, including any offices or elected positions you hold:
President of NAFEC

PLEASE ATTACH THIS FORM OR YOUR BIOGRAPHY TO EACH COPY OF TESTIMONY.



FACT SHEET

UNITED STATES DEPARTMENT OF AGRICULTURE
FARM SERVICE AGENCY

September 2009

FSA Administered Programs

Agricultural Mediation Program

The Agricultural Mediation Program helps agricultural producers, their lenders, and other persons directly affected by the actions of USDA resolve disputes. A trained, impartial mediator reviews conflicts, identifies options, and assists in settling disputes between participants in many different USDA program areas. These include farm loans, farm and conservation programs, wetland determinations, rural water loan programs, grazing on national forest system lands, and pesticides.

Average Crop Revenue Election (ACRE) Program

Producers on farms with covered commodity or peanut base acres may elect to participate in the Average Crop Revenue Election (ACRE) Program, authorized by the 2008 Farm Bill, instead of the Direct and Counter-cyclical Program (DCP). Under the ACRE Program, producers may receive revenue-based payments as an alternative to receiving price-based counter-cyclical (CC) payments. The following planted or considered planted crops may be eligible for ACRE

payments: wheat, barley, oats, grain sorghum, corn, upland cotton, rice (medium and long grain), soybeans, other oilseeds, canola, crambe, flaxseed, mustard seed, rapeseed, safflower, sesame seed and sunflower seed, peanuts and pulse crops (dry peas, lentils, and small and large chickpeas (garbanzo beans)).

Beginning Farmer and Rancher Loans

FSA provides direct and guaranteed loans to beginning farmers and ranchers who are unable to obtain financing from commercial credit sources. A beginning farmer or rancher is an individual or entity who (1) has not operated a farm or ranch for more than 10 years; (2) meets the loan eligibility requirements of the program to which he/she is applying; (3) substantially participates in the operation; and, (4) for FO loan purposes, does not own a farm greater than 30 percent of the median size farm in the county and has farmed for at least three years.

Biomass Crop Assistance Program (BCAP)

BCAP was authorized in the 2008 Farm Bill to assist agricultural and forest

land owners and eligible material owners with the collection, harvest, storage, and transportation (CHST) of eligible material for use in CHST qualified Biomass Conversion Facilities (BCF). These payments are available to eligible material owners at a dollar per dollar match per dry ton paid by the CHST-qualified BCF to the eligible material owners. Establishment and annual payments are also provided for eligible crops on eligible land for conversion to bioenergy in selected project areas.

Boll Weevil Eradication Loan Program

The Boll Weevil Eradication Loan Program provides low-interest loans to nonprofit organizations that work collaboratively with state agencies, USDA's Animal and Plant Health Inspection Service, and the National Cotton Council to eradicate the boll weevil. The program objective is to assist producers and state government agencies in the eradication of boll weevils from cotton producing areas.

Conservation Reserve Program (CRP)

CRP is a voluntary program available to agricultural producers to help safeguard

FACT SHEET

FSA Administered Programs

September 2009

environmentally sensitive land. Producers enrolled in CRP plant long-term, resource-conserving covers to improve the quality of water, control soil erosion, and enhance wildlife habitat. In return, FSA provides participants with rental payments and cost-share assistance. Contract duration is between 10 and 15 years.

Conservation Reserve Enhancement Program (CREP)

CREP is a derivative program of the Conservation Reserve Program (CRP). CREP is a voluntary land retirement program that helps agricultural producers protect environmentally sensitive land, decrease erosion, restore wildlife habitat, and safeguard ground and surface water. The program is a partnership among producers; tribal, state, and federal governments; and, in some cases, private groups.

Dairy Indemnity Payment Program

The Dairy Indemnity Payment Program pays dairy producers when a public regulatory agency directs them to remove their raw milk from the commercial market because it has been contaminated by pesticides, nuclear radiation or fallout, or toxic

substances and chemical residues other than pesticides. Payments are made to manufacturers of dairy products only for products removed from the market because of pesticide contamination.

Dairy Product Price Support Program (DPPSP)

Under this program, FSA supports the price of nonfat dry milk, butter and cheddar at statutory minimum levels through the purchase of such products made from cow's milk produced in the United States. The established prices are uniform for all regions of the United States and may be increased by the Secretary when considered appropriate. Reductions that cause the purchase price to fall below the minimum purchase prices can only be temporarily adjustments made in accordance with the 2008 Farm Bill. The DPPSP is authorized through December 31, 2012.

Debt for Nature Program

The Debt for Nature Program, also known as the Debt Cancellation Conservation Contract Program, is available to persons with FSA loans secured by real estate who may qualify for cancellation of a portion of their FSA indebtedness in exchange for a conservation contract with a term of 50, 30, or

10 years. A conservation contract is a voluntary legal agreement that restricts the type and amount of development and farming practices that may take place on portions of a landowner's property. Contracts may be established on marginal cropland and other environmentally sensitive lands for conservation, recreation, and wildlife purposes.

Direct and Counter-cyclical Payment Program (DCP)

DCP payments provide income support to producers of eligible commodities and are based on historically-based acreage and yields and do not depend on the current production choices of the farmer. DCP was authorized by the 2008 Farm Bill for farms enrolled for the 2008 through 2012 crop years for barley, corn, grain sorghum (including dual-purpose varieties), oats, canola, crambe, flax, mustard, pulse crops, rapeseed, safflower, sesame and sunflower (including oil and non-oil varieties), peanuts, rice (excluding wild rice), soybeans, upland cotton, and wheat.

FACT SHEET

FSA Administered Programs

September 2009

unavailable. Also eligible for NAP coverage are controlled-environment crops (mushroom and floriculture), specialty crops (honey and maple sap), and value loss crops (aquaculture, Christmas trees, ginseng, ornamental nursery, and turfgrass sod).

Nonrecourse Marketing Assistance Loan (MAL) and Loan Deficiency Payment (LDP) Programs

MALs provide producers interim financing at harvest time to meet cash flow needs without having to sell their commodities when market prices are typically at harvest-time lows. MALs allow producers to store production at harvest and facilitates more orderly marketing of commodities throughout the year. MALs for covered commodities are nonrecourse because the commodity is pledged as loan collateral and producers have the option of delivering the pledged collateral to the Commodity Credit Corporation as full payment for the loan at maturity. A producer who is eligible to obtain a loan, but who agrees to forgo the loan, may obtain an LDP. An LDP is the amount by which the applicable loan rate exceeds the alternative loan repayment rate for the respective commodity.

Primary Loan Servicing Program

The Primary Loan Servicing Program gives options to borrowers who, due to reasons beyond their control, are unable to make the scheduled payments on their debt to the Government. These options may include consolidation, loan rescheduling, deferral, interest rate reduction, and others. The program allows delinquent and/or financially stressed FSA borrowers to attain, or maintain, a current loan status - while at the same time allowing the borrower to regain a more solid financial footing for the long term.

Recourse Seed Cotton Loans

Recourse seed cotton loans are made available by the Commodity Credit Corporation (CCC) to producers through March 31 of the year following the calendar year in which the cotton crop is normally harvested. Seed cotton pledged as collateral for a loan must be tendered to CCC by an eligible producer and must be in existence and in good condition at the time of disbursement of loan proceeds, in addition to other requirements. A producer must repay the seed cotton loan principal, interest, and charges

before pledging the cotton for a nonrecourse loan or before a loan deficiency payment can be approved. Seed cotton loans mature on demand by CCC but no later than May 31 following the calendar year in which such crop is normally harvested.

Sugar Loan Program and Sugar Marketing Allotments

The Sugar Loan Program provides nonrecourse loans to processors of domestically-grown sugarcane and sugar beets to stabilize America's sugar industry. The Commodity Credit Corporation (CCC) establishes marketing allotments for sugar from domestically-produced sugar beets and sugarcane. Allotments are assigned based on estimates of sugar consumption, stocks, production, and imports for a crop year with the intent being that the total allotment quantity minimizes forfeitures of sugar to CCC under the sugar loan program.

Sugar Storage Facility Loan Program

FSA may make loans to processors of domestically-produced sugarcane and sugar beets for the construction or upgrading of storage and handling facilities for raw sugars and refined sugars. Loans may be made only for the

FACT SHEET

FSA Administered Programs

September 2009

purchase and installation of eligible storage facilities, permanently affixed handling equipment, or the remodeling of existing facilities.

Supplemental Revenue Assistance Payments Program (SURE)

SURE was authorized by the 2008 Farm Bill and covers crop revenue losses from quantity or quality deficiencies only those counties and contiguous counties declared disaster areas by the Agriculture Secretary or in cases where the overall production loss exceeds 50 percent.

Tobacco Transition Payment Program (TTPP)

TTPP provides payments over a ten-year period to quota holders and producers of quota tobacco to help them make the transition from the federally-regulated tobacco marketing quota and price support loan programs. Eligible tobacco quota holders and producers receive payments under this program in 10 installments in each of the 2005 through 2014 fiscal years.

Trade Adjustment Assistance for Farmers (TAAF)

TAA provides technical assistance and cash benefits to eligible

producers of raw agricultural commodities, such as fish or blueberries, after an associated industry group petitions the Secretary for assistance. If the national average price in the most recent marketing year for a commodity is less than 80 percent of the national average price in the preceding 5 marketing years as a result of increased imports of that commodity, producers may be eligible for TAA assistance.

Tree Assistance Program (TAP)

TAP was authorized by the 2008 Farm Bill and provides partial reimbursement to orchardists and nursery tree growers for replanting, salvage, pruning, debris removal and land preparation if losses due to natural disasters exceed 15 percent.

United States Warehouse Act (USWA)

The USWA authorizes the Secretary to issue licenses to public warehouse operators who voluntarily request regulation through licensing under the USWA to store agricultural products, including bulk grain, cotton, peanuts, sugar and other agricultural products. FSA administers USWA by providing licensing of

warehouse operators, regulation of paper and electronic warehouse receipt providers, protection for depositors through bonding or other financial assistance and compliance examinations. The USWA provides for the use of warehouse receipts and requires warehouse operators to accept agricultural products for storage without discrimination. Under the USWA, the facilities meet and are maintained at established standards. The USWA allows FSA to enforce a uniform regulatory system for the protection of depositors and the agricultural commodities stored in the licensed facilities.

FACT SHEET

FSA Administered Programs

September 2009

Youth Loans

FSA makes loans to individual rural youths, between the ages of 10 and 20 years, to establish and operate income-producing projects of modest size in connection with their participation in 4-H clubs, the Future Farmers of America and similar organizations. Each project must be part of an organized and supervised program of work and must be related to agriculture. The project must be planned and operated with the help of the organization adviser, produce sufficient income to repay the loan, and provide the youth with practical business and educational experience.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of Discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Ave. SW, Washington, DC 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.